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MONTANA ANNUAL RURAL MANPOWER REPORT

1976

MONTANA STATE JOB SERVICE
OF THE EMPLOYMENT SECURITY DIVISION
DEPARTMENT OF LABOR AND INDUSTRY
HELENA, MONTANA

JOB SERVICE

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RURAL MANPOWER SECTION
OF THE
MONTANA STATE JOB SERVICE

C. C. WARNER, DEPUTY ADMINISTRATOR
FOR JOB SERVICES

MONTANA STATE JOB SERVICE

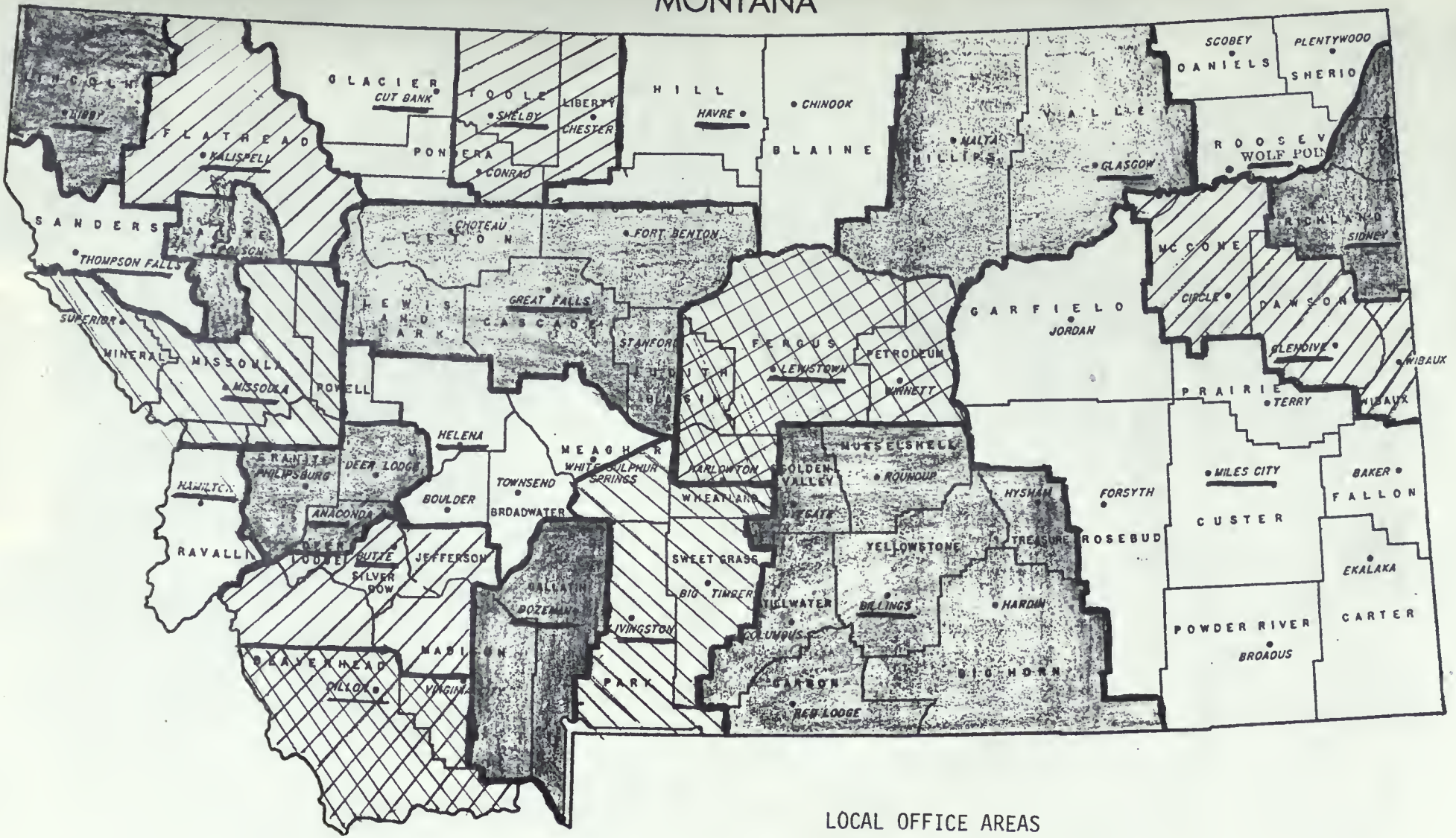
SHERM HOOKLAND, SUPERVISOR OF RURAL MANPOWER

FRED BARRETT, ADMINISTRATOR
EMPLOYMENT SECURITY DIVISION

STATE DEPARTMENT OF LABOR & INDUSTRY

JOB SERVICE

MONTANA



LOCAL OFFICE AREAS

MONTANA STATISTICS

Montana, the fourth largest state with 147,138 square miles, averages 550 miles wide and 275 miles from north to south. The eastern third is plains country, the central third is plains country with isolated mountain ranges, the western third is mountains and mountain valleys. The eastern two-thirds is primarily agricultural with significant petroleum, natural gas and coal production, while the western third contains most of the state's mining, logging and lumbering industries. Located at the north and south boundaries are Glacier and Yellowstone National Parks making the state an ideal attraction for tourists.

Agriculture continues to rank as the number one industry with annual income over $1.08 billion. Manufacturing (including lumbering) ranks next, followed by tourist travel and mineral production.

The population of Montana increased by 58,591 over the past six years, reaching 694,409 in the 1970 census--for an annual growth rate of 1.4 percent. Billings is the state's largest city at 63,729, followed by Great Falls, Missoula, Butte and Helena. The civilian work force has grown to more than 340,000 with total employment in excess of 300,000.

Employment levels vary constantly according to ever-changing employer needs and the season. Being located in the northern reaches of the United States, the state experiences temperature variations of 120 or more degrees, ranging from lows of -30 degrees (and more) in the winter, to high of 100 degrees (and more) in July and August.

Industries most affected by weather extremes are, of course, agriculture and construction, although significant changes in employment levels occur in the wholesale/retail trade, service, and non-ag other industry groups as well.

The state is served by a network of 23 Local Offices of the Montana State Job Service in the following cities:

Anaconda	416 E. Park	59711	Kalispell	427 1st Ave. E.	59901
Billings	624 N. 24th St.	59101	Lewistown	324 W. Broadway	59457
Bozeman	220 W. Lamme St.	59715	Libby	314 Calif. Ave.	59923
Butte	206 W. Granite	59701	Livingston	123 E. Callender	59047
Cut Bank	513 E. Main St.	59427	Miles City	12 N. 10th St.	59301
Dillon	126 S. Montana	59725	Missoula	539 S. 3rd St. W.	59801
Glasgow	238 2nd Ave. S.	59230	Polson	#9 Third Ave. E.	59860
Glendive	211 S. Kendrick	59330	Shelby	402 1st St. S.	59474
Great Falls	1018 7th St. S.	59401	Sidney	120 S. Central	59270
Hamilton	333 Main St.	59840	Thompson Falls	103 Mill Street	59873
Havre	416 1st St.	59501	Wolf Point	122 2nd Ave. S.	59201
Helena	715 Front Street	59601			

MONTANA ANNUAL RURAL MANPOWER REPORT
MA 5-79

Part I

A N N U A L S U M M A R Y

Planning

A. The administrative organization did not change during the calendar year 1976. The organization for Montana is simple and brief due to the sparse populations and lack of funds which does not allow for a large operation even though our large state could easily utilize a larger organization and budget. Rural manpower concepts continued to be incorporated into the farm labor programs. RPR's are assigned non-agricultural contacts and duties to conform with the present rural programs. More attention is to be given to rural areas. During the past five years our agency has been a division of the State Department of Labor and Industry.

B. State and local rural placement personnel participated and cooperated with growers and processors throughout the season and attended meetings whenever and wherever things could be accomplished.

Farm placement personnel, as heretofore, continued to work throughout the year with County and State Extension services, Montana State Department of Agriculture, Agricultural Stabilization and Conservation County Committees, and other rural and farm organizations.

C. Staff training programs related to providing comprehensive manpower services to all rural residents and encouraging a greater commitment to solving the problems of rural areas was carried out by quarterly visits to local offices by the Supervisor or Rural Manpower and by staff meetings held in local offices. Field Supervisors were also engaged in this activity. Central Office memos were utilized in staff meetings by local office Rural Placement Representatives. The main objective was to instill in local office personnel the importance of giving the same service to the rural applicant and employer as that given to the urban applicants and employers.

Economic Developments

Montana has had several developments in the past few years that have had an impact on the operation of Rural Manpower programs. Power plants 1 and 2 located adjacent to the Coal Strip mines of eastern Montana have been completed. However, two additional power plants at Colstrip are in the final planning stages which will cause an influx of new residents and employment when construction begins. Recreational ski areas are on the increase. The most recent being the Big Sky Resort near Bozeman as well as increased facilities at Whitefish and other areas.

A. Impact of Rural Industrialization and Related Developments

1. Industrial developments in Rosebud and Gallatin Counties, as indicated above, are industrial developments affecting the labor market in those counties. Otherwise there are no major changes. There is preliminary talk of possibilities of a huge enterprise at the inactivated Glasgow Air Force Base.

Agricultural enterprises are very similar to the previous year. There was an increase in grain crops as well as sugar beets. Some of this was slowed by a late spring especially in the north-central area of the State. Turnover of labor was insignificant. Hay demands were normal. Exchange of stock to winter and summer ranges was normal. Labor was adequate for all crops including the Texas-Mexicans in sugar beet

fields. An average supply of labor migrated into the State. There were some spot shortages in various areas.

2. The impact of rural development activities in several counties is creating some population growth. Actually, western counties are having a growth increase where eastern counties, except Cascade and Yellowstone, have had decreases.

3. There is no significant shift among rural occupations and industries except in the Colstrip area. Mining areas remain stable except in the Butte area. There was some increase in demand for white collar workers in Lewis and Clark County due to increased State and Federal agencies. A decreased demand for unskilled labor continues in agriculture. However, there was an increased demand for skilled labor.

4. There were no significant changes in the demand for women, youth, and elderly in the rural worker group. Increased elderly hiring was noted in the Dillon area.

5. Vocational training increased in Job Corps areas and most trainees were from communities of 2,500 population or less. The impact on the labor supply will just about parallel the previous year.

6. Texas-Mexican sugar beet crews continue to migrate into Montana rural areas. These migrants continue on to Colorado, Ohio, Michigan, etc., when work is completed here. Flathead and Lake Counties are migrant points for cherry pickers who migrate from Idaho, Washington, Oregon, and California each season.

B. Impact of Agricultural Mechanization, Changing Production Techniques, and Other Shifting Agricultural Trends

Mechanization of agriculture continues to have an impact on Montana as job opportunities decrease in quality applicants. Actually, shortages continue for good reliable skilled help Grain continues to mechanize as do sugar beets. Feed lots continue to grow for cattle feedi The potato crop is fully mechanized.

Employment and Unemployment Trends

A. Rural Non-agricultural Trends

Some rural counties continue to have sub-standard wages, which cause a shifting of applicants to urban areas. Manufacturing is insignificant in the rural areas.

B. Unemployment Trends

Unemployment trends increased in rural counties during 1976. There is a general decline during the winter season especially in the recreational camping, forestry, and park areas. Employment in the ski areas increase. Unemployment rates are generally greater in the rural counties during the winter season.

C. Farm Employment Trends

Overall farm employment did not change too much from the previous season but more production in some areas was significant.

1. As to major characteristics of seasonal workers, all ages above 16 are employed. The elderly are utilized well in agriculture on general farm and ranch work. Age, sex and race play no important part in Montana's agricultural employment. Women are used frequently as truck drivers during the sugar beet harvest.

2. Major activities are Sugar Beets, Cherries, Field Corn, Grain and Cattle. Less than 1,000 Texas-Mexicans in crews or family groups weed and thin Montana's sugar beet fields. Weedicides, mechanical thinners, and weeders cause reduced labor requirements each year. Only two of the previous five sugar companies now process sugar beets. At one time 10,000 beet workers migrated into Montana. Local help and machinery takes care of the sugar beet harvest. One thousand, two hundred (1,200) cherry pickers take care of the cherry harvest. This is still hand picking except for the sour cherries which are harvested by use of shakers. Local help takes care of the corn harvest and small bean harvest.

Grain is harvested mostly by custom combines migrating into the State following the harvests from Texas to Canada. General farm and ranch work is taken care of by individuals coming into Montana each season. Local students fill vacancies during vacation periods.

3. Shortages of farm and ranch hands exist each spring and fall prior to and after migrations and school vacations. Surpluses exist all during the winter season except for skilled workers. Weather and lack of fringe benefits are the main causes of shortages. Weather also causes the surpluses. School terms which continue into June and start again in September cause some shortages. Lack of year around employment causes lack of applicants.

4. With increased mechanization farm families are doing much agricultural work which previously necessitated hired hands. Consolidation of farms continues to have its effect.

Services for Rural People

A. All services provided urban applicants and employers are attempted with rural applicants through Volunteer Rural Representatives. Due to lack of budget we are unable to provide personnel and mobility to rural areas to the extent we would like to have it.

All rural job seekers have access to counseling, testing, placement, referral to training and manpower programs, supportive services or referral to agencies providing needed services and follow-up at the local office site. Outreach programs are operating periodically by personal contact, phone, or letter through Rural Placement Representatives in each local office.

(Figure provided in Part II)

B. Special services are provided to veterans, youth, the disadvantaged, Indians and older workers by specialists assigned to the above groups in each local office.

C. Our Minority Worker Specialists work with all seven Indian Reservations. Our all Indian Job Corps Center has trained and is training numerous Indian trainees.

D. Outreach activities in all programs is the main emphasis in Montana. Itinerant services are used when helpful.

E. We continue to work closely with the Montana Migrant Council, Indian Training Programs, and the Monitor Advocate and his program.

F. The Rural Placement Representatives in the local offices make regular public relations visits to agencies, schools, ag and non-ag employers on job development as well as making promotional calls and sending out promotional letters. These include employers who have not used the agency.

G. Rural job information is disseminated to rural areas by a Farm and Rural Manpower Bulletin to each Volunteer who posts such information in his establishment. Each volunteer has free telephone service to the local office for access to any information and job service under the guidance of the local office. All local offices having access to radio or TV stations broadcast job opportunities periodically.

H. People planning to move out of rural counties have access to information in other areas by contacting their volunteer in the community or through their local office. Interviewers will supply rural persons with possible job opportunity information in other areas.

Rural Manpower Programs and Activities for Farm Workers

A. All Media of Advertising is used by local offices to disseminate job opportunity information to job seekers. Volunteer Rural Representatives act as information offices in this regard.

We have very little problem with displaced farm workers. We have no problem with cooperative efforts with public and private organizations in promoting farm workers' employability and to improve manpower services. The relationship is non-antagonistic in most instances. Volunteers are used in all feasible areas, however, due to the fact there is no remuneration other than community service all Volunteers do not function as they should. We use posters at times, letters at times, bulletins, radio, TV, etc. for recruitment purposes. We could improve our services if we could get funds for additional personnel, travel, mobile units or itinerant services. If the small offices, we once had in rural areas, could be reactivated, it would be a real help to those areas which are difficult to serve under the present circumstances.

B. Up until the last several years we participated in the annual worker plan but since we no longer recruit beet workers for the growers or sugar companies, the annual worker plan is not applicable to Montana. The growers do their own recruiting, thus avoiding the housing inspections we conducted prior to the change. Since our cherry growers do not have housing, no interstate recruitment is requested.

C. We received job openings through Interstate Clearance. We had no housing inspections Twenty-four interstate orders were received. One order for one opening was extended to New Mexico.

D. Since we do no recruiting of migrants most of this section is not applicable to Montana. We do offer all upgrading services to migrant workers that we do to others when they contact our local offices. Our Monitor/Advocate checks out local office areas for complaints. Seventy-one were received during 1975, all of which were resolved or referred to the proper source for settlement.

E. We had no farm management or foreman training programs during 1976.

Rural Manpower Service Participation in Community Development Activities

The Montana Agency participates with farm and rural organizations and has good relationships with labor organizations, civic groups, and clubs. The media of news articles, radio and TV are used frequently. The local offices carry out a public relations program in their areas.

Evaluation, Problems, Plans, and Recommendations

A. Evaluation

Part II contains a statistical report on results of past three years.

We feel the agency efforts have been successful with the limited budget with which we are working.

B. Problems

The main problem with rural manpower in Montana is distances. One can travel over 700 miles from corner to corner of the State and with only 700,000 people in the State, it takes money to serve the rural areas. Since budget is allowed on a population basis, we are limited in how much we can serve remote areas.

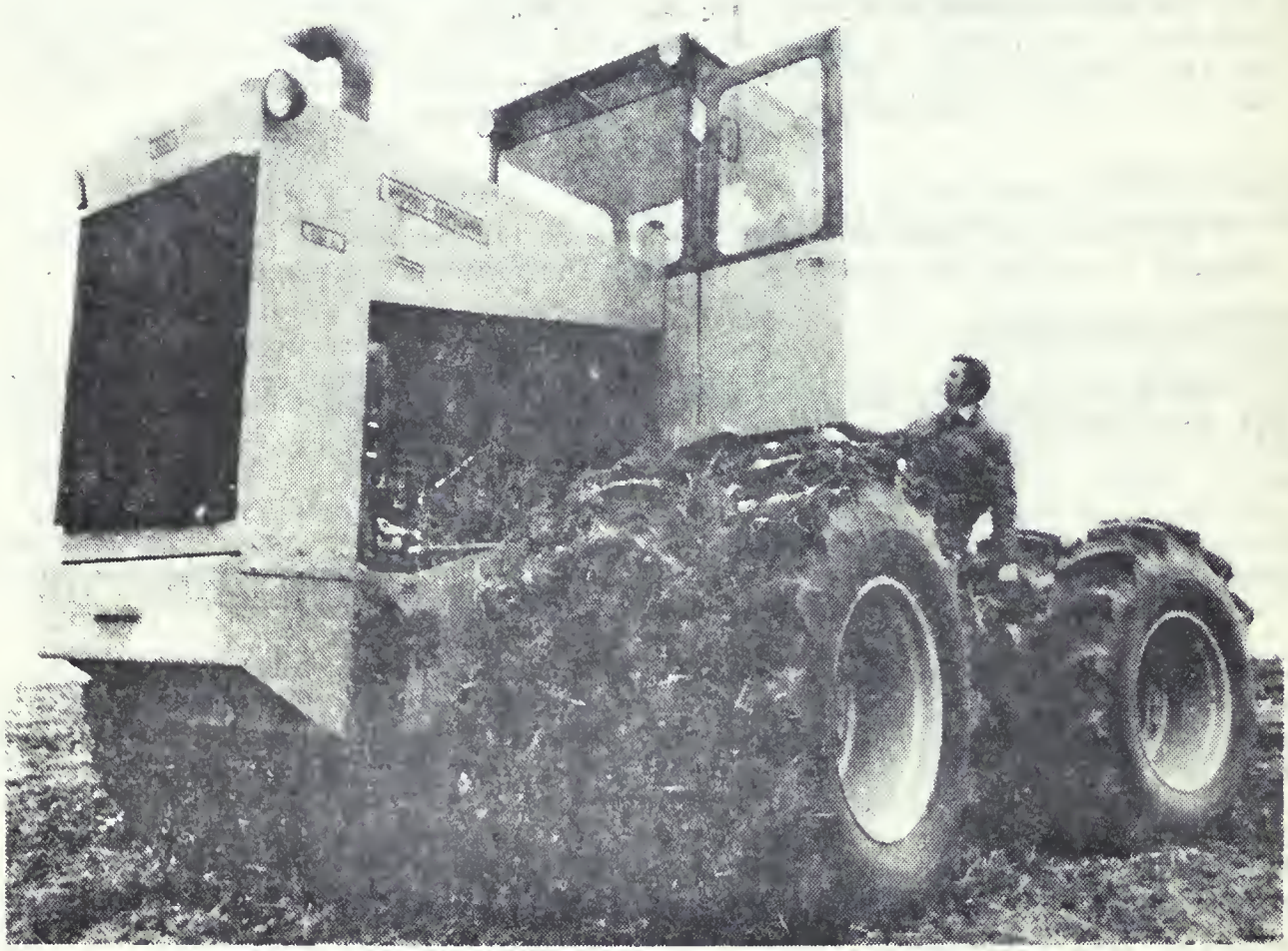
C. Plans

We plan to carry on very much the same in 1977 as we did in 1976. We feel our program is as full as we can get it under the financial situation.

D. Recommendations

We would recommend the rural manpower budget be alloted on an area basis as well as a population basis.

Great Falls Tribune Sunday, April 4, 1976



DEMONSTRATION — Jim Johnson, pictured in tractor door window, general manager of Farm and Ranch Equipment, talks to Leroy Weikum, employe at Prairie Nest Ranch, who is driving the Woods-Copeland 450-horsepower, four-wheel drive, powershift, no-clutch tractor. It is being demonstrated all this week at R. S. O'Day Jr.'s Prairie Nest Ranch all this week. Pictured at right is George T. Stephenson, vice president of Woods and Copeland, Wharton, Texas. The 5-foot, 7-inch ceilings of the cab help house a stereo tape deck, a refrigerator for refreshments and electric clock. The cab also includes a driver's swivel seat with six adjustments, a nine-position tilting and telescoping steering wheel, a 12,000 btu per hour heater and two gear-driven pumps to keep hydraulic steering and brake pressure at safe levels. (Tribune Photo by Stuart S. White)

PART II

ATTACHMENTS TO REPORT

5240 Form MA 5-79A. Annual Rural Manpower Report -- Selected Data on Farm Placement Operations

A. Facsimile of the form

RCS-OMAS-228

U.S. DEPARTMENT OF LABOR • Manpower Administration

ANNUAL RURAL MANPOWER REPORT

SELECTED DATA ON FARM PLACEMENT OPERATIONS

STATE: Montana

CALENDAR YEAR REPORTED: 1976

ITEM	NUMBER
SECTION A. DAY-HAUL ACTIVITIES AT POINTS OPERATED BY STATE AGENCY	
1. Towns with day-haul points	None
2. Number of day-haul points	None
3. Sum of days day-haul points operated during year	None
4. Total number of workers transported during year	None
SECTION B. SELECTED SERVICES TO SCHOOL-AGE WORKERS (under 22 years)	
5. Supervised camps operated for school-age farm workers	None
a. Placements in camps	None
6. Placements of school-age workers in supervised live-in farm homes	None
SECTION C. SERVICES TO INDIANS LIVING ON RESERVATIONS	
7. Rendered by on-reservation local offices or at itinerant points	
a. Farm placements	96
b. Applicant-holding acceptances	0
8. Other farm placements of reservation Indians	161
SECTION D. OTHER SELECTED DATA	
9. Number of local offices which held farm clinics	None
10. Sum of days on which farm clinics were held	None
11. Total number of local offices participating in formal community service programs	
12. Peak number of volunteer farm placement representatives	154

SIGNATURE C. A. Warner

TITLE Deputy Administrator for Employment Services

Replaces ES-228 Table 1 which is obsolete

MA 5-79A Oct. 1973

5241 Form MA 5-79A Worksheet. Day-Haul Activities at Points Operated by State Agency

A. Facsimile of the worksheet

RCS-DMAS-209

U.S. DEPARTMENT OF LABOR • Manpower Administration

DAY-HAUL ACTIVITIES AT POINTS OPERATED BY STATE AGENCY

STATE: Montana

CALENDAR YEAR REPORTED: 1976

TOWN	DAY-HAUL POINTS		
	NUMBER	DAYS OPERATED DURING YEAR	WORKERS TRANSPORTED DURING YEAR
I	II	III	IV
NOT APPLICABLE TO MONTANA			

SIGNATURE C. E. Warner

TITLE Deputy Administrator for Employment Services

Replaces ES-225 Worksheet A which is obsolete

MA 5-79A Worksheet
Oct. 1973

5249 Form MA 5-79C. Annual Rural Manpower Report -- Interstate Seasonal Agricultural Clearance Activities

A. Facsimile of the form

RCS-OMAS-211

U.S. DEPARTMENT OF LABOR • Manpower Administration

ANNUAL RURAL MANPOWER REPORT

INTERSTATE SEASONAL AGRICULTURAL CLEARANCE ACTIVITIES

STATE: Montana

CALENDAR YEAR REPORTED: 1976

ITEM	ORDERS		OPENINGS	
	EXTENDED (Section A) RECEIVED (Section B)	FILLED	EXTENDED (Section A) RECEIVED (Section B)	FILLED
I	II	III	IV	V
SECTION A. REPORTING STATE AS ORDER-HOLDING STATE				
1. Reporting State, TOTAL →				
2. Applicant-holding States involved:	2	0	3	0
Livestock Fitter Feeder 413.181 Id. Was. Ore.	1		1	
Farm Couple 423.999	1		2	
SECTION B. REPORTING STATE AS APPLICANT-HOLDING STATE				
3. Reporting State, TOTAL →	19	0	181	0
4. Order-holding States involved:				
Colo. Harvest Hand Fruit	11	0	170	0
Colo. Sheepherder	1	0	3	0
Wyo. Sheepherder	1	0	1	0
Wyo. Sheepshearer	1	0	1	0
Wyo. Ranch Foreman	1	0	1	0
Wyo. Ranch Couple	1	0	2	0
Wash. Head Irrigator	1	0	1	0
Wash. Farm Hand GEN.	1	0	1	0
Colo. Fruit Farm Foreman	1	0	1	00

SECTION C. COMMENTS (*Use reverse if needed*)

SIGNATURE: C C Warner

TITLE: Deputy Administrator for Employment Services

Replaces ES-225 Table 3 which is obsolete

MA 5-79C
Oct. 1973

5248 Form MA 5-79B. Annual Rural Manpower Report -- Composition of Interstate Farm Migrant Groups

A. Facsimile of the form

RCS-OMAS-210

U S DEPARTMENT OF LABOR • Manpower Administration

ANNUAL RURAL MANPOWER REPORT

COMPOSITION OF INTERSTATE FARM MIGRANT GROUPS

STATE: Montana

CALENDAR YEAR REPORTED: 1976

SECTION A. MIGRANT GROUP CONTACTS			SECTION B. REPORTING STATE'S RESIDENTS		SECTION C. GROUPS WORKING IN REPORTING STATE	
TYPE	BY REPORTING STATE	WITH REPORTING STATE'S RESIDENTS	TYPE	NUMBER	TYPE	NUMBER
I	II	III	I	II	I	II
1. Total			2. Total persons		4. Families	
a. Crew leaders			3. Total workers		5. Unattached males	
b. Family heads					6. Unattached females	
c. Other						

SECTION D. COMMENTS

NOT APPLICABLE TO MONTANA

SIGNATURE: C C Warner

TITLE: Deputy Administrator for Employment Services

Replaces ES-223 Table 2 which is obsolete.

MA 5-79B
Oct. 1973

EMPLOYMENT SECURITY DIVISION
P. O. BOX 1728 • HELENA, MONTANA 59601 • TELEPHONE 406/449-2511

Montana State
Employment Service

Unemployment
Insurance

January 15, 1977

TO: All Local Office Managers and Field Supervisors

SUBJECT: Rural Manpower Activities (Calendar Year of 1976)

		New Rural Applications	Total Rural Applicants Placed	Rural Non-Ag Placements
*1.	Kalispell	4617	2723	1511
*2.	Billings	3328	1282	1191
3.	Polson	2188	1447	1023
4.	Anaconda	2015	476	451
5.	Hamilton	1991	686	603
6.	Miles City	1937	763	536
*7.	Bozeman	1923	711	625
8.	Livingston	1672	976	884
*9.	Missoula	1554	617	548
*10.	Great Falls	1481	808	492
11.	Lewistown	1475	670	553
12.	Cut Bank	1316	584	499
13.	Libby	1295	291	283
*14.	Helena	1281	625	563
15.	Glasgow	1194	609	528
16.	Sidney	1151	798	611
17.	Glendive	1084	780	731
18.	Shelby	1041	709	558
*19.	Havre	922	377	297
20.	Wolf Point	805	296	267
21.	Thompson Falls	723	223	212
*22.	Butte	377	149	115
23.	Dillon	92	394	235
	TOTALS	35,462	16,994	13,316

* Local Offices located in designated Urban Areas

FARM PLACEMENTS

	1976	1975	1974	1973
1. Kalispell	1433	823	1166	1417
2. Great Falls	1110	1175	1914	3079
3. Billings	453	820	725	1098
4. Polson	432	262	376	382
5. Helena	280	239	278	327
6. Missoula	255	351	509	628
7. Dillon	236	316	417	739
8. Bozeman	228	248	269	451
9. Miles City	226	221	332	396
10. Sidney	211	99	178	460
11. Butte	207	245	270	372
12. Shelby	201	86	87	74
13. Lewistown	174	244	363	466
14. Havre	142	235	461	593
15. Cut Bank	116	125	210	381
16. Glasgow	99	121	177	247
17. Hamilton	91	112	116	219
18. Livingston	74	222	252	304
19. Glendive	62	71	148	135
20. Wolf Point	37	53	85	145
21. Anaconda	33	7	33	45
22. Thompson Falls	13	46	39	36
23. Libby	10	8	20	10
TOTALS	6,123	6,132	8,433	12,004

FARM VISITS

	1976	1975	1974	1973
1. Great Falls	877	811	623	857
2. Kalispell	446	200	126	84
3. Butte	346	354	264	401
4. Bozeman	304	187	206	278
5. Missoula	302	255	354	485
6. Lewistown	154	244	130	191
7. Miles City	147	124	184	189
8. Livingston	142	326	309	230
9. Cut Bank	141	124	104	141
10. Glendive	107	89	40	63
11. Shelby	85	19	54	14
12. Polson	75	64	85	74
13. Dillon	92	63	78	51
14. Sidney	64	70	58	135
15. Glasgow	59	73	24	100
16. Billings	44	148	377	151
17. Anaconda	40	3	4	22
18. Havre	32	60	105	102
19. Helena	26	6	88	19
20. Libby	19	7	5	0
21. Hamilton	5	2	16	8
22. Wolf Point	2	7	17	38
23. Thompson Falls	1	5	8	6
TOTALS	3,510	3,180	3,456	3,395

RURAL COUNSELING INTERVIEWS

		1976	1975	1974	1973
1.	Kalispell	2846	2365	2526	2007
2.	Billings	2088	2605	2372	2253
3.	Butte	1400	772	853	638
4.	Missoula	1372	1253	1160	1331
5.	Great Falls	882	1081	1184	1090
6.	Helena	834	537	753	473
7.	Anaconda	692	54	188	47
8.	Bozeman	454	228	164	94
9.	Polson	339	305	198	134
10.	Sidney	318	348	87	24
11.	Cut Bank	299	120	80	73
12.	Miles City	291	363	360	163
13.	Glasgow	255	226	189	84
14.	Lewistown	214	350	217	79
15.	Glendive	198	201	263	57
16.	Shelby	198	89	18	159
17.	Havre	194	210	128	138
18.	Livingston	130	208	267	94
19.	Wolf Point	92	88	139	86
20.	Hamilton	89	53	33	29
21.	Dillon	62	46	128	32
22.	Libby	61	260	254	201
23.	Thompson Falls	45	11	38	20
	TOTALS	13,353	11,773	11,599	9,306

		Rural Testing	Rural Job Development Contacts	Rural Training Enrollment
1.	Anaconda	194	276	59
2.	Billings	702	158	135
3.	Bozeman	156	140	11
4.	Butte	125	151	101
5.	Cut Bank	107	77	364
6.	Dillon	16	23	9
7.	Glasgow	139	17	126
8.	Glendive	142	98	25
9.	Great Falls	334	351	32
10.	Hamilton	133	0	26
11.	Havre	93	72	34
12.	Helena	286	299	92
13.	Kalispell	787	759	99
14.	Lewistown	119	39	22
15.	Libby	41	113	107
16.	Livingston	141	58	11
17.	Miles City	99	290	62
18.	Missoula	169	151	23
19.	Polson	212	43	15
20.	Shelby	101	122	11
21.	Sidney	97	224	14
22.	Thompson Falls	32	57	6
23.	Wolf Point	73	43	21
	TOTALS	4,298	3,561	1,405

JOB SERVICE

State of Montana
Dept. of Labor & Industry
Employment
Security
Division

12 North 10th Street
Miles City, Montana 59301
Phone 232-1316

Dear Sir:

With the arrival of winter, many ranchers are going to need extra hands for feeding and general care of livestock. The price of feed warrants hiring the best qualified help available to assure expensive hay and feed supplements get to your animals without loss or waste.

We would like to determine your needs as far in advance as possible, to allow us more time to obtain the type of worker you want.

We are enclosing a labor demand information card for your use in supplying us with information. This card is self-addressed and requires no postage.

When you are in Miles City, we would like you to drop into the office and discuss your needs with us and review the qualifications of available workers. The Job Service is at your service - always.

Sincerely,

Mike Metzenberg, Manager
Miles City Local Office

EMPLOYMENT SECURITY COMMISSION

206 West Granite
Butte, Montana

Montana State
Employment Service

Unemployment
Insurance

Dear

With winter coming upon us, many of you will be needing good ranch hands for feeding and other agricultural operations. The Butte Employment Service would like to aid you in helping fill these positions.

Qualified ranch hands register for employment with our office. They would be referred to you for your consideration.

Call the Butte Employment Office, 792-0417 for assistance in your employment needs.

Best wishes for a happy holiday season.

Sincerely,

John Rich

John Rich
Rural Representative

dgp

JOB SERVICE

State of Montana
Dept. of Labor & Industry
Employment
Security
Division

1018 Seventh Street South
Great Falls, Montana

Dear Sir:

Very shortly now, the demands for harvest workers will be very high. Assistance of extra help during the grain harvest will be absorbing all available help in the area.

Why not consider this problem now? An order placed early will give us ample time to select a qualified worker for you. Qualified combine operators and truck drivers are already registering for work with us. Let us know your present needs and we will give your order the utmost consideration.

If you are, or will be in need of harvest workers, please contact Dale DeVault, Ross Floyd, or Mike Shoquist at our office in Great Falls, located at 1018 7th Street South, or call 761-1730.

Sincerely,

Bill Cady

Bill Cady, Manager
Great Falls Local Office

Montana
FARM AND RURAL MANPOWER REPORT

MONTANA STATE EMPLOYMENT SERVICE
of the EMPLOYMENT SECURITY DIVISION

HELENA, MONTANA
Phone 449-[redacted] 2818

Number Twenty-two

September 8, 1976

This bulletin summarizes crop conditions and labor information and does not represent actual job orders. Crop conditions change rapidly and information can become obsolete within hours CHECK NEAREST LOCAL OFFICE BEFORE LEAVING AREA.

STATE SUMMARY: Harvesting of small grains, corn silage and hay are the main activities. Se of winter wheat in early stages. Labor shortages developing in some areas.

WESTERN

ANACONDA: Hay production is good but the rain is keeping it on the ground, ruining some and causing ranchers to stack some hay while it is still wet. There is more than enough moistur and the ranchers are pressed to get their hay up before any more falls. Help is starting to be in short supply in this area. There will be more openings in the next weeks when school stat again.

BUTTE: The ranch and farm scene in the Butte area is quiet except for the melodic hum of a few haying crews trying to finish their second cuttings of hay. A few openings are coming spasmodically for hay hands, but supply exceeds demand in this section.

DILLON: Weather warm and clear. Haying, pipe moving, flood irrigating, fencing and grain harvesting major activities. Short 1 ranch cook $300/mo. B&R; 1 waiter-waitress $2.30/hr. Winter wheat harvest 90% completed. Spring wheat harvest will start about 9/15/76.

HAMILTON: Main activities in this area are second-cut haying, irrigating, berry picking and general farm and ranch work. Weather has been cool with frequent rain showers. A light fro did some garden damage this week. Labor supply adequate to fill orders received.

HELENA: There is some demand for two experienced farm machinery operators $350/mo. B&R. Als short 1 experienced farm hand $500/mo.

KALISPELL: Grain harvest in full swing, storage facilities inadequate for present crop. Se hay crop being baled. Weather warm and dry. Labor supply adequate.

MISSOULA: Harvest is progressing well this week. Weather has been most favorable. Could us single ranch hand at $325/mo. B&R. Need experienced cattle fitter with 3 yrs. current experi for top show herd, paying $550/mo. with house. Some openings in non-agricultural jobs: cook, waiter-waitress and car hops.

POLSON: Weather has been warm and dry. Grain harvest progressing well. Some demand for hay hands. Local labor supply adequate. Have opening for single hand on dairy farm near St. Igna no living facility, $3/hr.

NORTH CENTRAL

CUT BANK: No report.

GLASGOW: Harvest nears completion with main farm activity being summer fallow and hay haulin Some shortage of truck drivers and farm hands is noted.

GREAT FALLS: Main activities are summer fallowing, seeding, late haying and general ranch wo Have 4 openings for single ranch hands. Grain harvest is 95% completed.

HAVRE: Harvesting is virtually completed in Hill and Blaine counties. Some seeding of winte wheat has started. Very little call for farm or ranch help with supply exceeding demand.

SHELBY: The harvest in this area appears to be nearly complete with most of the cutting fini Supply is meeting demand at the present time.

WOLF POINT: Harvest is nearing completion in many localities; remaining harvest is along the Canadian border. Sufficient labor and machines to complete harvest.

SOUTH CENTRAL

BILLINGS: Harvest of corn silage in full swing. Have farm opening for experienced silage truck drivers, paying $2.75/hr., must commute from Billings daily. Also need one dairy couple with 5 years experience paying $500/mo. with a 2 bedroom trailer house furnished plus percent/ incentive on milk production - could be from $200 to $300/mo., plus applicant must furnish references.

BOZEMAN: Excellent weather prevailed throughout the week. Haying, summer fallowing and harvesting are the primary activities. Supply of workers meeting demand; however, rural openings exist for: 1 fully experienced ranch cook; caretaker couple for year-around position on dude ranch, man must know horses and be a capable handyman, wife will do some cooking and bookkeeping during season.

LEWISTOWN: Chopping silage, summer fallowing and fall seeding continue as the weather remains warm. Short 1 couple at $450/mo. plus benefits, and 2 singles at $350/mo. plus B&R.

LIVINGSTON: Haying is main activity. Due to students returning to school, some calls have been received. Supply meeting demand.

EASTERN

GLENDIVE: Corn harvest and bean harvest is just starting on irrigated crop lands. Alfalfa has been mostly all cut the second time and some are working on the third cutting. Little activity with livestock. Dry land crop lands are being prepared for seeding. Our present openings are: farm couple (Wibaux area) $350/mo. + housing and some meat furnished; farm couple $500/mo. + housing.

MILES CITY: Major activities are summer fallowing, haying and irrigating. Sugar beet harvest is expected to start the last week or ten days in September. Local supply meeting the demand at the present time and the same is expected for the beet harvest.

SIDNEY: Harvest nearly complete. Some third cutting of alfalfa in progress. Early stages of winter wheat seeding. Some shortages of skilled labor in building industry. Sugar beet harvest scheduled to begin September 20.

ATTENTION FARMERS AND RANCHERS

The United States Immigration Service cautions that if you hire aliens, who are illegally in the States, you may lose them when they are most needed. Aliens cannot work in the U.S. unless they are permanent residents and carry a greenish-blue laminated identification card, 2½" X 3½", which contains their name, entry data, photograph, etc. If you are in doubt, call the United States Immigration District Office in Helena, MT, 449-5288, or the nearest Border Patrol Station.

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Montana
FARM AND RURAL MANPOWER REPORT

MONTANA STATE EMPLOYMENT SERVICE
of the EMPLOYMENT SECURITY DIVISION

HELENA, MONTANA
Phone 449-[redacted] 2818

Number seventeen

August 3, 1976

This bulletin summarizes crop conditions and labor information and does not represent actua job orders. Crop conditions change rapidly and information can become obsolete within hour. CHECK NEAREST LOCAL OFFICE BEFORE LEAVING AREA.

STATE SUMMARY: Main activities are haying, irrigating and harvesting. Winter wheat harves in full progress with some spring wheat harvest beginning in southeastern counties. Cherry harvest nearing completion. Labor supply adequate in most areas.

WESTERN

ANACONDA: There is a need for timber workers, must be experienced and have their own saws. are in the Deer Lodge areas. Farm and ranch work is scarce.

BUTTE: Haying is in full swing in both the Big Hole and Jefferson Valleys. Openings for ha hands have been spasmodic and some temporary precipitation at this time should bring about s future openings.

DILLON: Weather very hot and very dry. Fencing, irrigating, flood, haying, pipe moving and summer fallowing main activities. Labor supply meeting the demand. Winter wheat harvest wil start about 8/1/76.

HAMILTON: Agricultural harvest activities are in full swing throughout the area with hayingan berry picking providing the most work opportunities. Preparations are being made for the so cherry harvest that is tentatively scheduled to begin about August 9. Labor supply is balanced with adequate help available.

HELENA: Haying is main activity. Most of hay is down with big demand for workers in fields bucking bales and handling loose hay. Labor supply meeting demand at present. Have opening fo one bale bucker to work on a contract basis.

KALISPELL: First cutting alfalfa almost completed. Christmas tree hoeing and shearing. Pro labor supply meeting demand. Cherry harvest expected to be completed 8/5/76.

MISSOULA: Ideal harvest weather this past week. Now cutting grass hay in upper valleys. La supply in balance on agriculture. There are non-agricultural openings for cooks, dishwasher no waiter-waitress. Need for experienced skidder operators, both rubber tired and crawler.

POLSON: Main activities are general farm work, sprinkler irrigating, haying and the cherry ha vest, which was in full swing this week. Cherry harvest will run through about August 10. ho experienced cherry pickers. Labor supply for other ag jobs adequate.

NORTH CENTRAL

CUT BANK: Harvesting has started with some swathing noted in North Cut Bank area. Haying in swing. Other activities include irrigating, summer fallowing, and machinery repair. Supply meeting demand at present.

GLASGOW: Grain harvest just underway this week with ample supply of custom harvest crews in area. Very little demand has been noted for additional help as local labor supplies keep ord filled.

GREAT FALLS: Harvest is underway. Main activities are grain harvesting, haying, summer fallowing and general ranch work. Heavy demands for combine operators and truck drivers. Supply still meeting the demand. No calls for custom cutters. There is an abundance of custom cutte in the area. Winter wheat yields have been reported to be 30 to 60 bushels per acre.

HAVRE: Main activity this week is harvesting. Good supply of custom cutters at present. Some areas are reporting grain too green for cutting. Little demand for harvest help with supply exceeding the demand.
SHELBY: Supply meeting demand. Some swathing underway. Custom crews standing by for winter wheat to be ready. Some haying still in progress. Wages ranging from $20 to $30 per day, plus room and board.
WOLF POINT: Some winter wheat is being harvested. Spring wheat harvest not ready for two weeks Surplus of combines at this time, labor supply adequate.

SOUTH CENTRAL

BILLINGS: Need for 2 couples for dry land wheat and hay ranch, must have a minimum of 5 yrs. experience and be able to run 4 wheel drive tractors, must also furnish references. Pay depends on experience, plus housing. Need 1 couple for irrigated farm, must be experienced in tube & flood irrigation. Most areas have started harvesting, with some areas finishing up already. Th area north of Hardin and around Custer are completing harvesting activities. St. Xavier, Lodge Grass, Columbus, Acton, Molt and Lavina areas are starting. Production figures for the area var between 28-50 bushels per acre. Supply of labor greater than demand. Have excess of custom cre
BOZEMAN: Main activities are haying, irrigation, and harvest equipment maintenance. Excellent weather prevailing. Test cutting on early burn-out only. Harvesting should begin in a week to ten days. Southeast corner received severe hail damage Saturday, 7/24/76. Patches of green throughout most fields. Shortage of experienced combine operators for 8/10/76. Short one coupl for dairy farm.
LIVINGSTON: Haying and irrigating are main activities. Demand is light and no shortages exist at this time.
LEWISTOWN: Harvesting is beginning in most areas with grain looking good. Short 1 single and 1 cook. Several custom cutters in the area. At the present we have 2 new machines available an men to operate them looking for grain to cut. No shortages of men or machines at present.

EASTERN

GLENDIVE: Irrigated lands are beginning the second cutting of alfalfa and irrigating row crop farms. The dry land farmers are summer fallowing and starting to combine winter wheat - which i approximately 25% complete. At this time, there is a surplus of custom combiners in this area. Yields are averaging 30 bushels per acre. Need 1 combine operator, one farm couple and 1 farmhar
MILES CITY: Major activities - summer fallowing, haying, irrigating and wheat harvest. Local help meeting the demands. Winter wheat harvest 90% completed in Miles City area. No demand for combines, trucks or harvest hands.
SIDNEY: Winter wheat harvest underway. Scattered areas of early spring wheat harvested. Yields of winter wheat going from 30-45 bu./acre. No shortage of machines in the area. Some demand for experienced operators and truck drivers.

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CHAPTER 8 ECONOMIC CHARACTERISTICS OF MONTANA AGRICULTURAL AND FORESTLAND RESOURCES

ECONOMIC IMPACT OF AGRICULTURE

Most of the income and employment derived from the use of agricultural land resources in Montana is a result of agricultural practices on the land, for example the raising of food and feed grains and livestock. In-state processing and transportation of those products also provide employment. Additional income and employment are derived from the recreational resources associated with agricultural land, for example from hunting and fishing in agricultural areas.

The foregoing economic activities, except for recreation, are considered as "primary" ones; that is, their existence depends on markets outside the state or region. Recreation has not been considered a primary activity because it is assumed that most users of the recreational resources are Montana residents.

Additional local economic activities, for example wholesale and retail trade and service industries, occur as a result of agriculture. These are considered "derivative" economic sectors. Essentially they depend upon the primary sectors for their existence. For example, owners and employees of local businesses in rural eastern Montana communities are directly dependent on farmers and ranchers; but indirectly, they are as dependent on the land resource base for a livelihood as are those who derive income from the land directly.

Another derivative effect of the primary economic activities is the revenue they provide to the state through income taxes and the revenue the land resources provides to local taxing jurisdictions through property taxes. The revenue provides employment for government workers and distributes income through government nonwage expenditures.

Table 59 shows Montana's direct agricultural employment, total primary employment, and total state employment. It also shows other primary manufacturing employment dependent on direct agricultural employment, such as meat packing and grain mill products. It is also assumed that a large portion of railroad employment depends on the transportation needs of basic agriculture, so half of the total railroad employment in Montana has been included for the selected years.

Total agricultural employment declined by a third between 1950 and 1975, reflecting its decreasing labor intensity. Agriculture remains the single largest employer among Montana's primary industries, accounting for 47 percent of Montana's primary employment in 1975.

Table 59

Montana Employment—Agriculture, Primary and Total, 1950-1975.
(thousand jobs)

	Agriculture (direct)	Agriculture (related)*	Total Agriculture	Total Primary**	Total Employment
1975	34.3	4.5	38.8	83.9	303.1
1970	36.1	4.9	41.0	85.1	262.7
1965	35.2	5.1	40.3	84.5	246.5
1960	39.2	5.8	45.0	86.6	236.9
1950	52.8	8.4	40.3	103.3	228.5

*Includes meat packing and grain mill products plus half of railroad transportation.

**Includes agriculture, mining, manufacturing, railroads, and federal government.

Sources *References 67, 172, and 246.*

Roughly two-thirds of the direct agricultural employment is composed of farm proprietors (365).

A complete picture of agricultural employment also must account for the derivative employment dependent on agriculture. In 1975 there were 2.6 jobs statewide in derivative industries for each job in a primary industry (246). Because the figure represents urbanized western Montana as well as rural eastern Montana and because there is a tendency for derivative jobs to increase in proportion to primary jobs as an area becomes populated and developed, a more conservative 1.5:1 ratio was presumed to prevail between derivative jobs in Montana and agriculturally related primary jobs on which they depend. If this assumption is accurate, then Montana's 38,800 primary agricultural jobs in 1975 generated an additional 58,200 derivative jobs in local industries for a total of about 97,000 agriculturally related jobs statewide. Thus agriculture accounted for a third of the state's total employment in 1975. It may be concluded then, that about 30 to 35 percent of Montana's jobs are dependent on agriculture.

Because the principal concern here is with wheat and beef production, it is instructive to compute how much employment wheat and beef production activities contribute to Montana's agricultural economy. The acreage devoted to wheat and range livestock as well as for other inputs, such as hay and barley, is known. When acres devoted to range and pasture are added to wheat, hay, and half of the barley acreage, the total is 67.6 million acres, or 88 percent of the total agricultural acreage in the state. Acreage is not necessarily proportional to employment. Nevertheless, it is probable that nearly 9 out of 10 agriculturally related jobs in Montana are related to wheat and beef production.

Table 60 shows agricultural employment and total employment in Montana for the state's two environmental regions. Almost three out of four agricultural jobs are in Great Plains Montana. This is understandable because 80 percent of the agricultural acreage is in the eastern two-thirds of the state. Twenty-six percent of all the jobs in Great Plains Montana are directly agricultural, when Cascade and Yellowstone counties are excluded. Using the earlier assumption of 1.5 derivative jobs for each primary job this means that for eastern Montana areas outside Cascade and Yellowstone counties, almost two out of every three jobs is dependent on agriculture. In Rocky Mountain Montana, agriculture is directly responsible for 7 percent of the jobs; nearly 17 percent when indirect employment is considered.

A discussion of the employment impact of agriculture would be incomplete without mentioning its seasonal nature. Peak direct employment is in midsummer and since 1970 has averaged 50,000 jobs. This is twice the average of 24,000 jobs held in agriculture during the midwinter months, and 30 percent higher than the annual average of 35,000 jobs.

Income is derived from the production and exchange of agricultural products and, until 1973, from large government payments. Figure 27 shows total cash receipts along with cash receipts from cattle and calves, wheat, hay, and barley (one-half) for the years 1950 through 1975.

Travel Promotion Unit, Mt. Dept. of Highways

Table 60
Agricultural and Total Employment in Great Plains and Rocky Mountain Montana, 1971.

(thousand jobs)

	Agriculture (direct)	Percent of Total	Total
Great Plains Montana*	22.4	26	86.0
Great Plains Montana**	25.7	16	160.0
Rocky Mountain Montana***	9.7	7	141.0

*Includes the following labor market areas: Glendive, Miles City, Glasgow, Lewistown, Hardin-Red Lodge, Shelby and Havre.

**Includes Billings and Great Falls in addition to those mentioned in footnote (*).

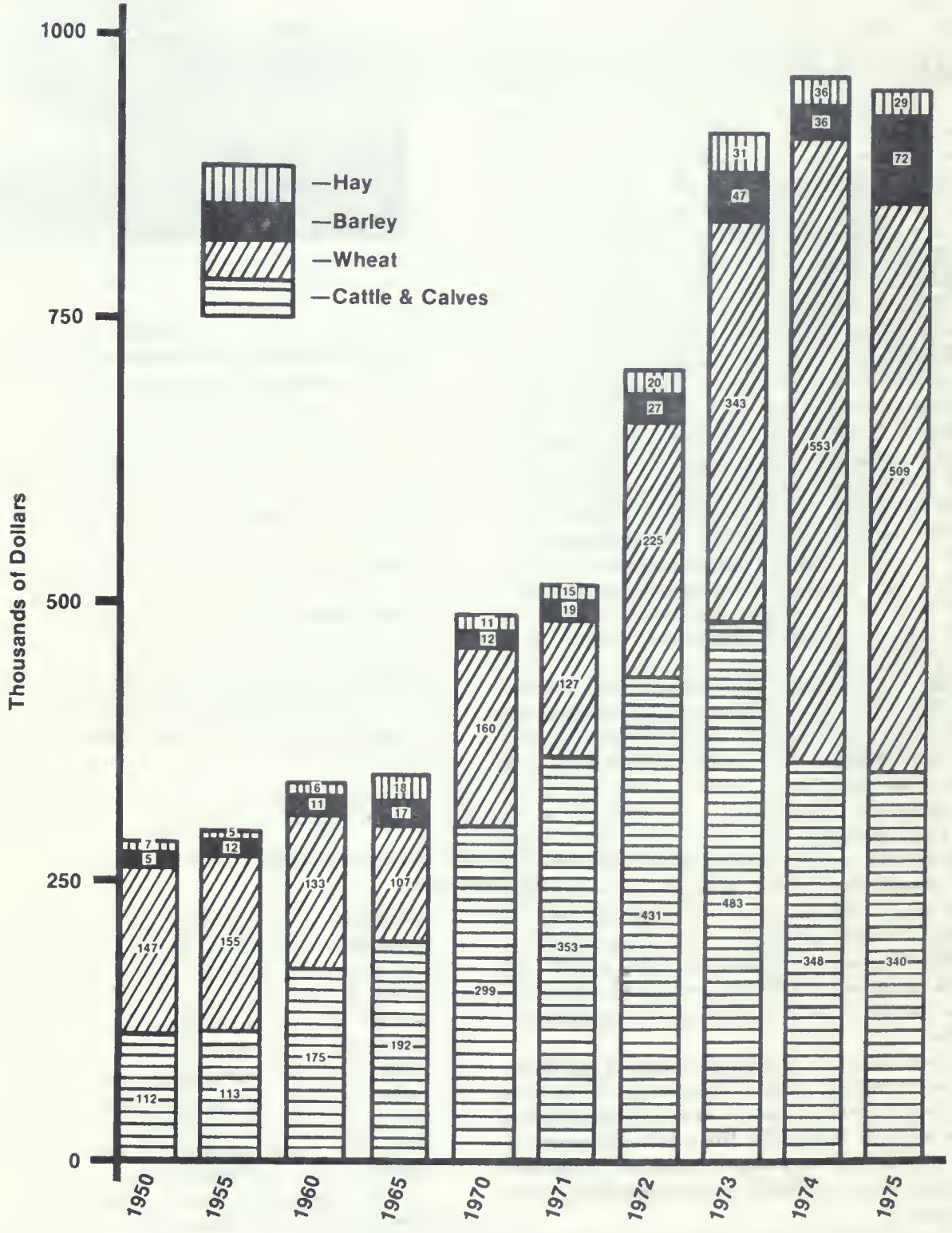
***Includes the following labor market areas: Bozeman, Anaconda-Butte, Helena, Kalispell and Missoula.

Source: Reference 80.

Receipts from the agricultural commodities shown in Figure 27 have remained remarkably stable at about 80 percent of total agricultural receipts. Even though substantial swings in prices in the individual crops are evident, grain and animal prices generally run in a counter-cyclical pattern: when grain prices are high, animal prices are depressed, and vice-versa. Data on receipts and production values are given for wheat, hay, barley, and cattle and calves in Figures 28 through 31.

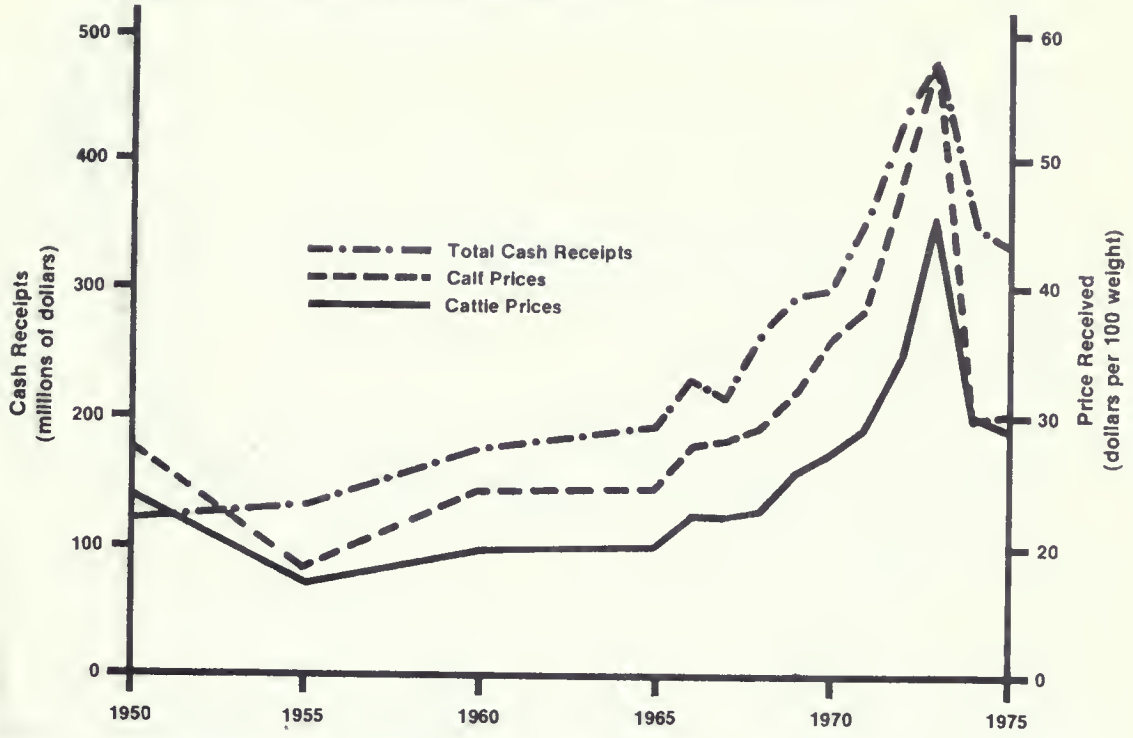
The relationships between cash receipts, realized net farm income, and personal income (earnings) directly attributable to Montana agriculture are described in Figure 32. For the years shown, earnings in the agricultural sector ranged between 43 and 59 percent of total farm cash

Figure 27 Montana Agricultural Cash Receipts, 1950-1975.



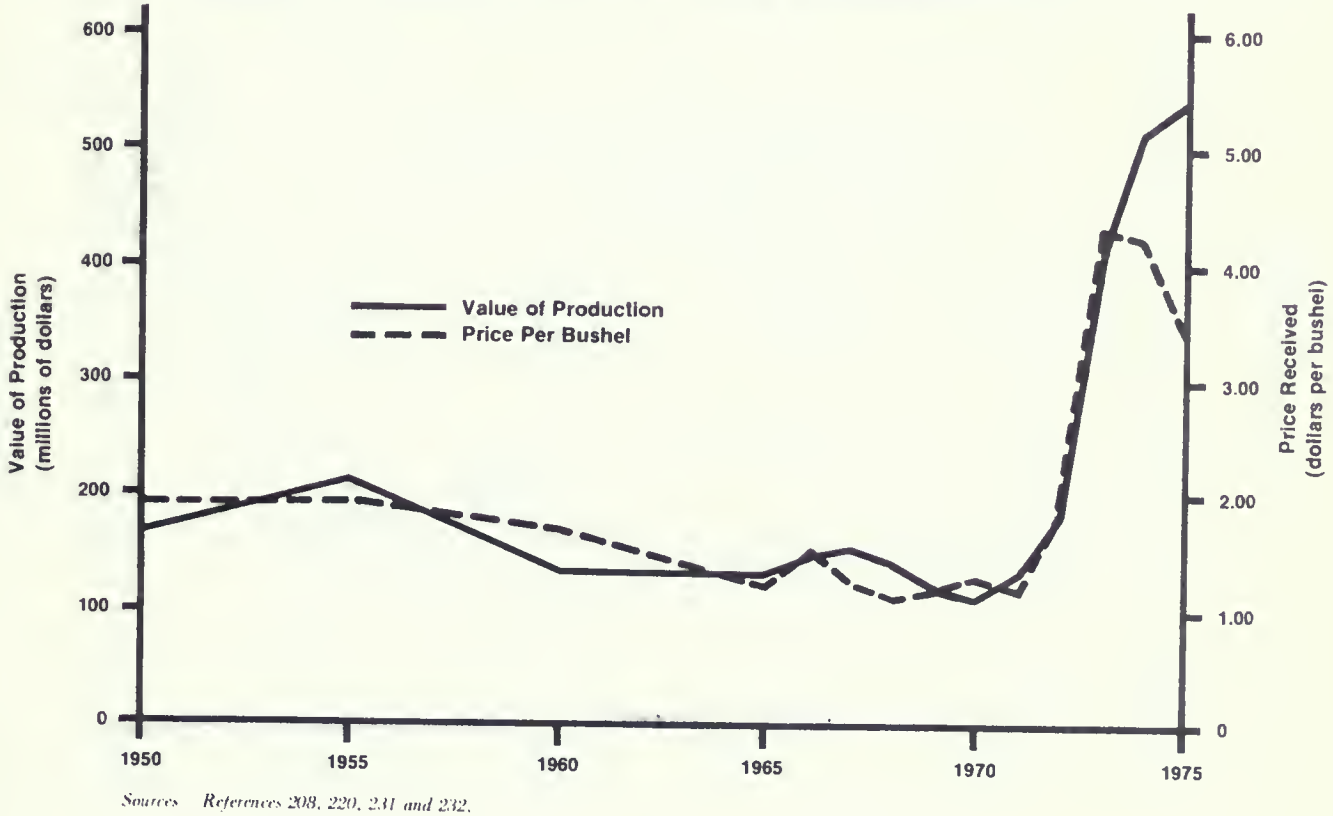
Sources: References 208, 211, 220, 223, 231, 232 and 358.

Figure 28 Montana Cattle and Calf Prices and Cash Receipts, 1950-1975.



Sources: References 208, 223, 231 and 232.

Figure 29 Montana Wheat Prices and Value of Production, 1950-1975.



Sources References 208, 220, 231 and 232.

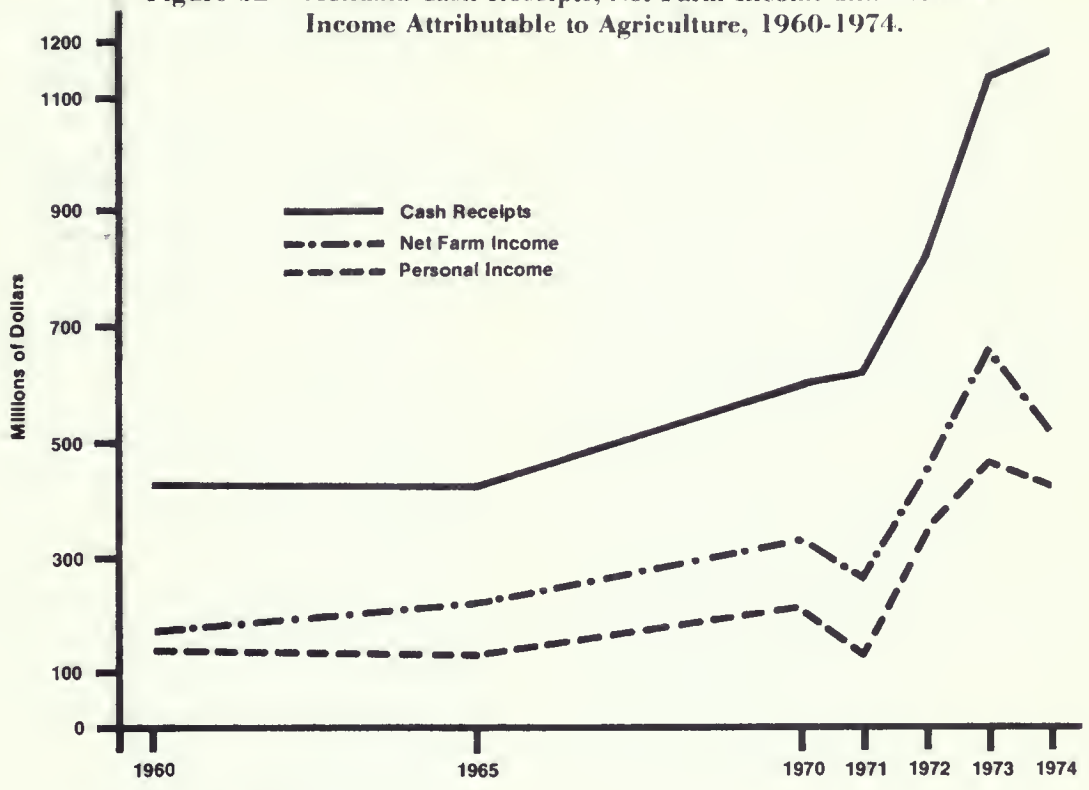
Figure 30 Montana Hay Prices and Value of Production, 1950-1975.

Sources: References 208, 220, 231 and 232.

Figure 31 Montana Barley Prices and Value of Production, 1950-1975.

Sources: References 208, 220, 231, and 232.

Figure 32 Montana Cash Receipts, Net Farm Income and Personal Income Attributable to Agriculture, 1960-1974.



Sources: References 358 and 361.

receipts. The variance is due to the relationship between receipts and costs of production for each year and changes in farm inventories.

Table 61 shows total earnings for Montana and total earnings resulting from farm activities for selected years since 1960. Estimates of earnings derived from the other primary economic activities associated with agricultural production (manufacturing, food and kindred products,

Table 61

Total Montana and Agricultural Sector Personal Income (Earnings), 1960-1974.

(millions of dollars)

Year	Montana	Agriculture (direct)	Agriculture (related)	Agriculture (total primary)	Percent of Montana
1974	2819	514	59	573	20
1973	2746	664	56	720	26
1972	2287	448	51	499	22
1971	1939	269	45	314	16
1970	1883	323	44	367	19
1965	1374	208	36*	244	18
1960	1110	183	30*	213	19

*Railroad share estimated because data are withheld under government regulation.

Sources: References 67, 86, 246, and 304.

and railroad transportation) have been added to the data. It has been assumed that the same proportions for employment hold for earnings attributable to agriculture in these additional sectors.

Total earnings derived from agriculturally related activity ranged between 16 and 26 percent of total Montana earnings for the years shown since 1960. In 1974, the last year for which data are available, agriculturally derived earnings were 20 percent of the state's total. At the same time they represented 44 percent of the state's total earnings derived from primary economic activities (361). This is very close to agriculture's 47 percent share of employment derived from primary activities and reinforces its position as the most important primary economic activity in Montana.

In 1974 there was $1.20 of derivative personal income for each dollar arising from primary activities. Because the income effect of the agricultural sector is more direct than its employment effect, it has been assumed that the relationship between agriculture and its derivative income will be close to that between primary and derivative income prevailing for the state as a whole. Using a 1:1 relationship, the $573 million derived from Montana's agriculturally related activities in 1974 generated a total of $1,146 million dollars in earnings statewide or about 40 percent of the state total. This is a greater share than agriculture's direct and indirect contribution to Montana's employment and is understandable due to agriculture's pronounced impact on incomes.

This strong income effect is also recognizable when regional income relationships are studied. Table 62 shows total and agricultural income for Montana's two major environmental regions. The difference in agriculture's share of income between Montana's two regions is striking. Agriculture directly contributed 56 percent of Great Plains Montana income (35 percent when Yellowstone and Cascade counties were included). In Rocky Mountain Montana agriculture's share was only 8 percent.

Another manifestation of the importance and strength of agricultural income is its direct relationship to state per capita income. Real earnings per employe (adjusted for inflation) in the agricultural sector increased 140 percent between 1968 and 1973 (from $5,000 to over $12,000). The substantial increase was the principal factor in Montana's 12 percent increase in real per capita income during those same years.[35]

Again, because the focus is on wheat and beef, it is of interest to know how much wheat and beef production activities contribute to Montana's agricultural income. The most logical computation using existing data would assume cash receipts are directly proportional to income. In this case, wheat and beef account for 80 percent of total farm cash receipts. It seems fair, then, to assume that 80 percent of Montana's agricultural income is based on wheat and beef production.

Agriculture also directly contributes to state government revenue. If agriculturally related earnings are 40 percent of the state total and earnings constitute three-fourths of Montana's personal income, then about 30 percent of Montana's personal income taxes can be attributed to agriculture. The Governor's Office of Budget and Program Planning has estimated that personal income taxes will total $146 million in the 1977 biennium. If its share were indeed 30 percent, or $44 million, agriculture would account for about 13 percent of the total general fund account revenues for the biennium, estimated at $336 million (276).

Montana's range, pasture and cropland also yield property tax revenues for local taxing jurisdictions. A rough idea of the importance of agricultural land to local authorities can be gained by studying the assessed valuation in the two major environmental regions of the state. Table 63 shows that about 18 percent of the total assessed

[35]The Montana Environmental Quality Council's *Fourth Annual Report* (1975) summarizes many facts on statewide employment and income as part of a general system of environmental indicators.

Table 62

Agriculture and Total Personal Income (Earnings) in Rocky Mountain Montana and Great Plains Montana, 1973.

(thousand dollars)

	Agriculture (direct)	Percent of Total	Total
Great Plains Montana	529.8	56	954.2
Great Plains	571.9	35	1629.7
Rocky Mountain Montana	85.4	8	1068.8

Source: Reference 365.

Table 63

Total Assessed Valuations and Assessed Values of Montana Agricultural Land Resources, 1974. (millions of dollars)

	Rocky Mountain Montana	Great Plains Montana	Great Plains* Montana
Total	1697.9	2307.2	1620
Cropland			
Irrigated	18.5	27.0	24
Nonirrigated	25.0	169.4	160
Range and Pasture (inc. wild hay)	39.0	104.0	99
Total Agricultural Land	82.5 (5%)	304.4 (13%)	283 (17%)

*Excluding Yellowstone and Cascade counties.

Source: Reference 250.

valuation of Great Plains Montana, including Yellowstone and Cascade counties, is due to cropland, range and pastureland; the figure for Rocky Mountain Montana is 5 percent. Unlike most other property taxes, which are levied against market values, assessments against agricultural land are based on the value of the production potential of the land. Revenue to local authorities would be higher if agricultural land were assessed at the current value of potential production: assessments have remained unchanged since 1962 (82).

ECONOMIC IMPACT OF FORESTLAND USES

Montana's forestland has five major outputs which provide economic value to the state and its citizens: timber, water, wildlife and associated recreational amenities, forage for grazing, and minerals. All are renewable except minerals, which for that reason will be excluded from further analysis here.

As with agriculture, the traditional, accepted method of measuring the value of the foregoing outputs is in terms of employment and income. Timber and perhaps grazing are the only outputs which lend themselves easily to this type of analysis. Difficulties in concept and definition abound when one attempts to apply this same type of analysis to recreational opportunities. And water does not lend itself easily to market analysis due to its diffuse ownership and varied uses, some of which are difficult to quantify economically. Hence, water has traditionally been discussed from the perspective of its social value, which makes it hard to deal with in economic analysis that works for some of the other outputs.

Like the agricultural products industry which produces for export out-of-state, Montana's wood products industry is known in economics as a "primary" economic sector. It likewise serves as a driving force for "derivative" economic sectors which provide goods and services for the wood products industry and its employees.

Receipts from timber harvesting in national forests in Montana also provide the bulk of the so-called "25 Percent Fund"[36] revenues that flow to the counties within which the forests stand. Additional money from timber sales is earmarked under the Knutson-Vandenburg Act for stand regeneration and management. Access roads in the public forests are financed by reducing public timber prices to purchasers. Purchasers promise in the bid to be responsible for road construction.

Table 64 shows employment in Montana's wood products industry and additional employment in related primary sectors. It was assumed that half of the U.S. Forest Service's Montana employees manage and market timber from national forests. It was also assumed that, like agriculture, the wood products industry generates demand for railroad transportation—in this case, one-eighth of the state's railroad movements.

Employment in the wood products industry has been a bright spot in Montana's recent economic history. Between 1950 and 1974 direct employment nearly doubled, with the increases occurring mainly in counties lying west of the divide. In 1974 there were an estimated 9,800 people employed directly in the wood products industry statewide

[36]See p.109 for a discussion of the 25 Percent Fund.

Table 64

Montana Employment—Wood Products, Primary and Total, 1950-1975. (thousand jobs)

	Wood Products (direct)*	Wood Products (related)**	Total Wood Products	Total Primary	Total Employment
1975 (est.)	9.1	2.6	11.7	83.9	303.1
1974	9.8	2.6	12.4	86.4	301.0
1970	8.6	2.4	11.0	85.1	262.7
1965	8.9	n.a.	n.a.	84.5	246.5
1960	7.4	n.a.	n.a.	86.6	236.9
1950	5.4	n.a.	n.a.	103.3	228.5

*Includes logging, sawmill and planing mills, plywood and millwork, particle board, pulp and paper mills, and miscellaneous wood products.

**Includes one-half of Forest Service employment and one-eighth of railroad transportation.

Sources: References 67, 100, 171, and 246.

USDA Forest Service photo by Phil Schlamp

and an additional 2,600 employed in other primary sectors heavily dependent on the timber industry. Employment related to wood products is estimated at 12,400 or 14 percent of Montana's total primary employment. This figure also represents 4 percent of Montana's total employment. The distribution of direct employment in 1974 was as follows: sawmills, 60 percent; logging, 18 percent; plywood and millwork, 12 percent; the remainder largely being the two particle board plants and a pulp and paper mill.

The increasing diversification of the wood products industry has led naturally to a reduced relative importance of logging and sawmill operations. Growth in employment since 1960 has occurred largely because of new plywood, paper, and particle board plants. There also has been an increasingly strong but localized demand for post and pole operations, house logs, and custom wood products.

Estimates of the contribution of the wood products industry to Montana's employment also must include the derivative employment that depends on the continued operation of the timber industry. Statewide, in 1975, there were 2.6 jobs in derivative industries for each primary industry job. This figure prevails in western Montana and will be used to estimate the derivative employment associated with the wood products industry. This means the 12,400 primary jobs were responsible for an additional 32,200 derivative positions, or a total of about 47,700 jobs statewide. This is 16 percent of the state's 1975 employment.

Table 65 shows wood products industry employment by geographical area. Almost all of the jobs are in Rocky Mountain Montana. Of these a substantial portion, about three-fourths, are in three northwestern Montana counties; Missoula with over 3,000, Flathead with about 1,900, and Lincoln with close to 1,600 (304). In the last decade the wood products industry has become even more centralized in these counties with the closing of economically weak, small mills in outlying areas and the large investments by major corporations in expanded (sawmill, pulp and paper) and new operations (particle board, plywood) in these areas.

While 8.5 percent of jobs in Rocky Mountain Montana are directly attributable to the wood products industry, about 30 percent of jobs are dependent on direct and derivative employment. The figures are much higher for the several counties in which the timber industry is concentrated. For example, in 1971 there were seven western Montana counties in which over 10 percent of the employment was attributable directly to the wood products industry: Lincoln, 23 percent; Mineral, 22 percent; Sanders, 17 percent; Meagher, 14 percent; Flathead and Missoula, 12 percent; and Granite, 10 percent (304)(365).

The figures would be higher still for Missoula, Flathead and Lincoln counties with the inclusion of Forest Service employees. Although estimates of derivative employment in small geographical regions are subject to error, it is probably fair to assume that the wood products industry is ultimately responsible for up to twice as many jobs in these western Montana counties than the figures indicate.

Like agricultural employment, wood products related employment is seasonal. Peak employment is July through October when roads are dry and the woods accessible. Low employment is in late spring. On average, since 1970 1,800 more persons were employed during the peak period than the low period.

Personal income in the wood products sector is derived from the sale and harvesting of timber and sale of the raw materials and manufactured products, such as rough and finished lumber, plywood, particle board, pulp and paper, and other products.

Although the available data are very sketchy, there has been a steady upward trend in the value of Montana's timber products. This is most evident in the stumpage (timber minus cost of harvest and profit) price data presented earlier in Table 43, because stumpage prices represent a fairly accurate gauge of the future prices of the

Table 65

Wood Products and Total Employment in Rocky Mountain Montana and Great Plains Montana, 1974

(thousand jobs)

	Wood Products (direct & related)*	Percent of Total	Total Employment
Great Plains Montana	.4	.3	160.0
Rocky Mountain Montana	12.0	8.5	141.0

*Derived by applying geographical ratios prevailing in 1971 to 1974 total employment data.

Sources: References 67, 86, 246, and 304.

products manufactured from raw timber. Between 1965 and 1974, stumpage prices on public land in Montana increased about three-fold; six-fold, if 1973 prices are used. The increased stumpage prices were closely paralleled by the increasing value of Montana's lumber output. The average wholesale value of 1,000 board-feet doubled between 1967 and 1974 (400) (401). Wholesale prices of plywood products also approximately doubled between the same years (292). Price increases of close to 100 percent for pulp, paper products and particle board also have occurred in the last several years.

Increases in the price and value of industrial output do not necessarily indicate earnings gains for Montanans working in the forest industry, but they do mean that the industry retains the ability to pay higher wages to its employees.

Table 66 presents data on personal earnings in Montana and in the wood products industry for recent years. The wood products sector, including related income, in 1974 accounted for 5 percent of the state's total earnings; 12 percent of the state's earnings derived from primary economic activities (361).

In 1974 there was $1.20 in derivative earnings for each dollar of earnings generated in the primary sectors. Using this figure to discern the total income effect of wood products industry yields a net income contribution in 1974 of roughly $330 million or 12 percent of Montana's total personal income. Thus slightly more than one dollar in 10 of Montana personal earnings was attributable to the wood products industry in 1974.

Current regional earnings data are not available for the wood products industry but a recent study (171) estimated that close to 90 percent of wood products related earnings in 1969 originated in eight western Montana counties: Missoula, Flathead, Lincoln, Sanders, Ravalli, Lake, Mineral, and Granite. In these counties about 20 percent of the total earnings was from the forest industry. When five other Rocky Mountain Montana counties are included (Meagher, Powell, Broadwater, Gallatin, and Park), the portion of total earnings derived from this sector still remains high, about 15 percent.

Assuming that the 1969 estimate of wood products earnings closely approximates conditions prevailing today and assuming that each dollar of direct earnings contributes 1.2 additional dollars of earnings, then the wood products industry can be said to contribute about one-third of the earnings in these counties, and a somewhat larger share in the eight-county area.

Table 66

Total Montana and Wood Products Sector Personal Income (Earnings), 1960-1974.

(millions of dollars)

Year	Montana	Wood Products (direct)*	Wood Products (related)**	Wood Products (total primary)	Percent of Montana
1974	2819	107	43	150	5.3
1973	2746	100	40	140	5.1
1972	2287	86	36	122	5.3
1971	1939	82	33	115	5.9
1970	1883	72	31	103	5.5
1965	1374	57	21***	78	5.7
1960	1110	38	16***	54	4.9

*Pulp and paper figures estimated due to data withheld for years prior to 1973.

**Income of federal employees allocated on basis of forestry related share of total employees.

***Railroad share estimated because data are withheld under government regulations.

Sources: References 361 and 366.

National forests provide revenue to Montana counties in the form of the so-called "25 Percent Fund." The fund is federal government revenue from the sale of timber, grazing permits, user fees, minerals, and other sources. One-quarter of the fund, or 25 percent, is returned to the counties within which the forests stand. The revenue is distributed in proportion to the area of national forest in the county. Forest revenue changes with use. For example, recently nearly 100 percent of the revenue arising from the Lolo National Forest was derived from timber sales. About three-fourths of the revenue from the Helena National Forest for 1974 was associated with sale of timber. For the same year 40 percent of the revenue derived from the Beaverhead National Forest was from timber sales. The principal source of nontimber revenues in the forests is grazing permits (313).

Receipts from timber sales will, of course, depend on the amount of timber cut as well as its quality. Comparison of Beaverhead and Lolo national forests in 1974 shows this variation. In the former, net revenue per 1,000 board feet averaged $5.46; for the latter the same figure was $38.98 (313).

Table 67 shows federal payments to Montana counties for three selected years. Three of the counties, Flathead, Lincoln and Sanders, received 60 percent of all such payments in Montana in 1974. Although the trend in federal payments has been generally upward (a two-to four-fold increase for most of the counties shown since 1967), significant annual variations in payments can and do occur (313).

Montana law currently requires that two-thirds of a county's receipts from the 25 Percent Fund be allocated to the county road fund and the remaining one-third to the county elementary school district. The road fund money can be very significant. During the period 1961-74, road fund receipts for the counties listed in Table 67 ranged from 5 percent of total county highway expenditures (Park County) to 150 percent (Lincoln and Mineral) (313).

In most counties the portion accruing to the school fund represents a smaller percentage of total elementary school expenditures than the road fund share, ranging from about 1 percent in some western Montana counties (including Missoula County), to an average of about 15 percent in Mineral and Sanders counties (313).

In 1975, about $3.5 million was allocated from timber sales under the Knutson-Vandenburg Act for timber management in Montana's national forests. The major shares went to Lolo National Forest, 31 percent; Kootenai, 21 percent; and Flathead, 16 percent. Timber sales also financed 37 percent of the road construction in the same forests in 1975, or about $6.3 million of total expenditures of $16 million (100).

About 90 percent of the money from timber sales administered by the Bureau of Indian Affairs is returned to the respective reservations, as are matching funds for forest improvement work. In 1973, $3.9 million was distributed in this way, 96 percent of which went to western Montana's Flathead Reservation (304).

Montana's forestland base and the wood products industry account for about 12 percent of the state's total

Table 67

"25 Percent Fund" Payments to Selected Montana Counties, 1961, 1967, and 1974.

County	1961		1967		1974	
	Fund Payments	Percent of total	Fund Payments	Percent of total	Fund Payments	Percent of total
Beaverhead	$ 19,848	3.88	$ 20,875	1.49	$ 47,786	1.13
Flathead	92,354	18.06	279,725	19.97	888,559	20.97
Granite	16,148	3.16	42,468	3.03	154,112	3.64
Jefferson	5,716	1.12	10,492	0.75	38,059	0.90
Lake	7,901	1.54	23,736	1.69	80,152	1.89
Lewis & Clark	17,232	3.37	33,020	2.36	104,427	2.46
Lincoln	114,918	22.47	209,375	29.23	1,018,189	24.03
Meagher	5,302	1.04	5,621	0.40	14,248	0.34
Mineral	32,222	6.30	97,566	6.97	374,372	8.20
Missoula	33,676	6.58	102,259	7.30	351,428	8.29
Park	9,996	1.95	7,621	0.54	21,273	0.50
Powell	23,105	4.52	65,104	4.65	221,082	5.22
Ravalli	9,932	1.94	63,584	4.54	158,756	3.75
Sanders	57,489	11.24	166,233	11.87	619,979	14.63
All other Counties	65,588	12.82	72,817	5.20	171,313	4.01
	$511,427	100.00	$1,400,476	100.00	$4,236,735	100.00

Source: Reference 313.

earnings. Because earnings constitute roughly three-fourths of Montana's total personal income, approximately 9 percent of the state's personal income taxes may be due to the wood products industry. Nine percent of the personal income tax receipts estimated for the 1977 biennium is about $13 million, which in turn is about 4 percent of the total general fund account revenues expected during the biennium.

The state's private timberland is taxed to provide local property tax revenues. Timberland is taxed based on the quality of timber and the stand volume. Value of the timberland for grazing is also involved in the tax calculation (82).

In 1975, 23 Montana counties included timberland on their assessment rolls. Assessed values ranged from $2.17 per acre (Deer Lodge) to $10.96 (Lincoln) (59). It is estimated that the assessed values represent about 5 to 10 percent of current market values (82).

In 1975 timberland in five western Montana counties contributed more than 3 percent of each county's total assessed valuation: Lincoln, 6.6 percent; Mineral, 5.6 percent; Powell, 5.3 percent; Granite, 3.4 percent; and Sanders, 3.3 percent (250). However, in the same year only 3 million acres of Montana were classed as timberland: a significantly smaller amount than 5.1 million acres of private commercial forestland identified earlier.

FORESTLAND AND ITS VALUE FOR RECREATION

As difficult as it is to define "recreation," it should be no surprise that it is nearly impossible to ascribe an economic value to its existence and use. This value takes many forms. Some of it is in the spiritual enjoyment derived from living amidst natural beauty. Although a satisfied spirit is not subject to economic analysis, it has economic value nonetheless. More concretely, the value placed on recreational pursuits is viewed in terms of expenditures by recreationists, in-state employment arising from the expenditures, and income to Montanans from the expenditures and employment. Three major sets of questions need to be answered before a quantitative economic valuation of recreation can be determined:

1. Who are recreationists? Are they all who spend dollars in Montana in recreational pursuits, including residents, or only nonresidents who travel to or through Montana? What recreational activities should be included? How should people who combine business with pleasure be treated? Should seasonal residents be considered tourists?
2. Where do the identified recreationists spend their money? What share of the residents' expenditures should be ascribed to Montana's recreational opportunities?
3. What does the economic activity in recreation mean for employment and income? How much of the business of the recreation establishment depends on recreationists? What does this mean in terms of employment? How can recreation revenue be related to profits and wages, and hence to earnings of proprietors and employees? Can secondary employment be estimated? Does it depend on the definition of recreationists used at the outset? These issues serve to indicate the many conceptual difficulties inherent in the economic valuation of recreation. However, some initial work in this area has been done and may serve as a starting point.

Only one source estimating employment dependent directly on the recreation business has been identified in this study (157). The procedure was to allocate percent shares of employment in the basic economic sectors connected with recreation. Allocations were based on the employment difference during months of low and high activity. Subjective assumptions were necessary regarding the share of the difference attributable to recreation. The assumptions and 1975 employment figures in recreation are given in Table 68. This shows that about 32,000 jobs, or 11 percent of Montana's employment is derived from recreation. A more conservative estimate can be made using the same basic approach and assuming smaller percentage shares due to recreation: contract construction, 2 percent; transportation and public utilities, 2 percent; wholesale and retail trades, 15 percent; services, 10 percent; government, 5 percent; and other, 5 percent. The latter assumptions yield an estimated employment of about 18,800, or about 6 percent of the state total. Applying these conservative estimates of recreation reveals that earnings accruing to Montanans from use of recreation are $142 million, or 5 percent of the state's total.

Another method of estimating recreation revenues uses tourist expenditure data developed by the Montana Highway Department. The calculation is based on three important assumptions. First, that today's tourist count can be approximated by updating 1963-64 surveys, based on annual sampling. Second, that 1963-64 data showing persons per party and length of stay approximate that prevailing today. Third, that expenditures per party per day estimated in 1963-64 can be adjusted upward by the rate of inflation.

Using these assumptions, the Montana Highway Department estimated that resident and nonresident tourists spent $274 million in Montana in 1974. It has also been estimated that in 1967, 22 cents of each dollar of tourist expenditures accrued to Montanans as earnings (283). The $274 million would then result in about $60 million in earnings for Montanans. This is less than half that yielded by the more conservative earlier calculation and is about 2 percent of total earnings in Montana.

It might be fair to assume that the actual income effect of Montana recreation resources today is somewhere between the two estimates. The low estimate, based on 22 cents in earnings per $1 of expenditures, has been acknowledged as underestimating the true earnings by tourists for other than trade and services. Correcting for expenditures in other sectors (utilities and manufacturing, for example) would result in an average figure slightly higher than 22 cents per dollar receipts. The low estimate also is conservative in that it failed to take into account the

effects of spending by Montanans that followed the tourist spending. Another omission was the exclusion of revenue from hunting and fishing licenses, which support Montana Fish and Game Department programs and employees. At any rate, the estimates show that income accruing to Montanans from recreational resources may have been from $60 million to $140 million or perhaps as high as $250 million in 1974, or 2 to 8 percent of the state's total income.

Table 68

Montana Employment and Estimated Employment Ascribed to the Recreation Industry, 1975.

Sector	Employment	Percent Due to Recreation*	Employment due to Recreation
Manufacturing	22,200	1	200
Mining	6,700	0	0
Contract Construction	12,400	5	600
Transportation & Public Utilities	19,200	5	900
Wholesale & Retail Trade	59,900	20	11,900
Finance, Insurance, Real Estate	10,200	5	500
Services	44,900	25	11,200
Government	64,900	5	3,200
Agriculture	34,300	2	700
Other	30,900	10	3,100
Total	303,100	10.7	32,300

*Dr. Horvath's assumptions.

Source: Reference 157.